September 6, 2005

Addressing Iran's Nuclear Challenge

Introduction

For the past three years, the Islamic Republic of Iran has thumbed its nose at the international community in regard to its active, formerly clandestine, pursuit of an indigenous nuclear fuel cycle that the United States and many other nations conclude is intended to give Iran a nuclear weapons capability. Specifically, Iran has repeatedly ignored its safeguard obligations under the Nuclear Nonproliferation Treaty (NPT), of which it is a signatory. The need to ensure that Iran honors its nuclear obligations (and, ideally, to prevent it from becoming a nuclear power altogether) is reinforced by the facts that Iran has an active program to improve its ballistic missile capability, is a leading state sponsor of terrorism, and is known to have shared missile designs and nuclear technology with other rogue states such as North Korea and Syria.

The International Atomic Energy Agency (IAEA), an international nuclear watchdog agency, intensified inspections of Iran's nuclear sites in early 2003, shortly after an exiled opposition group revealed the existence of secret nuclear facilities in the cities of Natanz and Arak. Since then, Iran has repeatedly demonstrated its determination to undermine and evade the inspections regime. It has provided incomplete, misleading reports on its nuclear program to the IAEA, and it interfered with the agency's ability to conduct prompt inspections.

As a result of Iran's bold and provocative actions, U.S. and international policymakers have focused on the critical need to address the security challenges Iran poses. Along with the IAEA, the EU-3 (consisting of the German, French, and British Foreign Ministers) has attempted to persuade Iran to honor its NPT obligations and furthermore cease its nuclear fuel cycle efforts. To date, despite numerous attempts, it does not appear that the EU-3 negotiations will achieve the goal of permanently suspending Iran's nuclear enrichment programs and stopping Iran from engaging in a program to develop the capability to produce its own nuclear weapons.

Policymakers must now decide what action should be taken to assure Iranian compliance. The most widely discussed option is referring the issue of Iran's nuclear program to the U.N. Security Council for action, including possible imposition of sanctions and other measures. In an unpublished IEAE report circulated last week, the IAEA reportedly stated that it was unable to determine conclusively that Iran did not have secret nuclear materials or activities. The report was prepared for the September 19 IAEA Board meeting where the Board will discuss Iran. It is

¹ Reuters, "Russia Opposes Reporting Iran to UN," September 5, 2005.

long past time for the IAEA Board of Governors to determine whether or not Iran should be referred to the U.N. Security Council.

This paper will review critical developments in our knowledge of Iran's covert and overt nuclear activities in the last two years, as well as options for addressing the challenges raised by Iran's nuclear pursuits.

Background

Iran is an original signatory to the Nuclear Nonproliferation Treaty (NPT), which was opened for signature in 1970. Under the terms of the NPT, Iran, and every other signatory, except for the five declared nuclear powers (United States, United Kingdom, France, Russia, and China), agreed not to develop or manufacture weapons in exchange for a promise by advanced nuclear countries to promote the fullest possible exchange of equipment, materials, and scientific and technological information for the peaceful uses of nuclear energy. On May 15, 1974, Iran reaffirmed its pledge not to acquire nuclear weapons and agreed to allow the International Atomic Energy Agency (IAEA), the entity charged with enforcing the NPT, to verify Iran's compliance with its nuclear obligations.

A much-debated topic, which is highly relevant to the Iran case and was debated earlier this year at the NPT Review Conference, is whether a signatory to the NPT should be allowed to pursue a complete nuclear fuel cycle, i.e., enriching uranium, for civilian nuclear program use when there are serious, unresolved nonproliferation concerns about that country's nuclear program.

Recent Developments in Iran's Nuclear Program

In August 2002, an Iranian opposition group, the National Council for Iranian Reform (NCR), told the press that Iran had secret uranium-enrichment facilities and was building a heavy water plant. One month later at the IAEA General Conference, Iran announced it was "embarking on a long-term plan to construct nuclear power plants with a total capacity of 6,000 megawatts within two decades." Iran also stated that it was undertaking a sizeable project involving work in various fields of nuclear technology such as fuel cycle, safety, and waste management. On February 9, 2003, Iran announced that it had started mining uranium near the city of Yazd, and it was also developing facilities needed to complete a nuclear fuel cycle, including a uranium-conversion facility, uranium-enrichment facility, a fuel-fabrication plant,

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² Congressional Research Service, "The Nuclear Nonproliferation Treaty Review Conference: Issues for Congress," May 16, 2005.

³ For additional information on NPT compliance, see remarks by Congressional Research Service Analyst Sharon Squassoni, "IAEA and the Issue of Compliance," which was presented at the Sixth U.N. Conference on Disarmament Issues, in Kyoto, Japan, from August 17-19, 2005.

⁴ IAEA Board of Governors, "Report by the Director General on the Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran," June 6, 2003.

and a facility to produce uranium oxide.⁵ These revelations came after years of speculation by the U.S. intelligence community that Iran was pursuing a covert nuclear weapons program.⁶

Following Iran's September 2002 announcement, IAEA Director General Mohammed ElBaradei asked the Iranian government if it was building an underground nuclear facility at Natanz and a heavy-water production facility at Arak (according to the IAEA, heavy-water production facilities are not nuclear facilities under comprehensive NPT safeguards agreements, and, thus, are not required to be declared to the Agency thereunder). Iranian officials offered the IAEA the opportunity to visit the sites. However, the site visit that was initially scheduled for October and then the rescheduled site visit in December, were postponed by Tehran. It was nearly five months before the IAEA was able to see firsthand (in February 2003) the previously undisclosed Iranian nuclear sites.

Tehran has maintained that its nuclear program is for peaceful purposes. Moreover, it has also maintained that, as a signatory to the NPT, it is entitled to pursue a civilian nuclear program. During the past few years, Tehran has repeatedly denied that it is pursuing a nuclear weapons program. In fact, in May 2003, a senior Iranian official stated: "We consider the acquiring, development, and use of nuclear weapons inhumane, immoral, illegal, and against our basic principles."

In testimony before the Senate Intelligence Committee on February 16, 2005, Defense Intelligence Agency Director Vice Admiral Lowell E. Jacoby (USN) stated, "Unless constrained by a nuclear non-proliferation agreement, Tehran probably will have the ability to produce nuclear weapons early in the next decade." And, on August 2, 2005, citing a recent U.S. intelligence estimate, the *Washington Post* reported that Iran's nuclear program may already be so advanced as to produce a nuclear weapon within six to ten years. Estimates of time needed to develop a nuclear weapon are often based on estimates of fissile material production, which is the key hurdle. Coupled with Iran's long-standing support of terrorism, ballistic missile program and active cooperation with weapons proliferators such as North Korea and China, Iran's pursuit of several methods of fissile material production are troubling. An active, covert nuclear program would be a remarkably destabilizing security factor, both in the Middle East and for the United States.

Iran's Initial "Violations"

On June 6, 2003, in its first report following Iran's September 2002 disclosures, the IAEA issued a report to its Board of Governors detailing Iran's previously undeclared nuclear

⁸ Statement by H. E. Dr. Javad Zarif, Permanent Representative of the Islamic Republic of Iran, before the U.N. General Assembly on the Report of the International Atomic Energy Agency, on November 11, 2003.

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⁵ Arms Control Association, "Country Resources—The Iran Nuclear Crisis: A Chronology," June 2005.

⁶ Central Intelligence Agency, "Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 July Through 31 December 2003," http://www.cia.gov/cia/reports/721 reports/july dec2003.htm#iran.

⁷ IAEA Board of Governors, June 6, 2003.

⁹ Statement by H.E. Mr. G. Ali Khoshroo, Deputy Foreign Minister for Legal and International Affairs, before the Second Session of the Prepcom for the 2005 NPT Review Conference, April 29, 2003.

¹⁰ Testimony by Vice Admiral Lowell E. Jacoby on "Current and Projected National Security Threats to the United States," before the Senate Committee on Intelligence, February 16, 2005.

¹¹ Washington Post, "Iran is Judged to be 10 Years from Nuclear Bomb," August 2, 2005.

activities. Specifically, in the "Findings and Initial Assessment" section, the IAEA reported that "Iran has failed to meet its obligations under its Safeguard Agreement with respect to the reporting of nuclear material, the subsequent processing and use of that material, and the declaration of facilities where the material was stored and processed." (emphasis added) The most significant of these findings seems to be that Iran did not declare that it had imported 1,800 kilograms of natural uranium (in various forms) from China. The report raised some alarm with its finding that some of the imported uranium hexafluoride was unaccounted for. The IAEA stated that Iran's failures were "a matter of concern," and also acknowledged that, while 1,800 kilograms of uranium was not a "large" quantity, it was also "not insignificant in terms of a State's ability to conduct nuclear research and development activities."

On June 19, 2003, the IAEA Board of Governors expressed concern regarding Iran's "past failures to report material, facilities, and activities as required by its safeguard obligations." (emphasis added). The Board called on Iran to sign an Additional Protocol to the Safeguards Agreement (to allow for greater transparency with the IAEA as well as on-demand IAEA visitation rights), and "encouraged" Iran "not to introduce nuclear material at the pilot enrichment plant, as a confidence-building measure." Less than one week later, Iran introduced nuclear material into a single centrifuge for testing purposes. And, on August 19, 2003, it began nuclear testing on 10 centrifuges.

On September 12, 2003, the IAEA Board of Governors unanimously adopted a resolution setting an October 31 deadline for Iran to fully cooperate with IAEA. Specifically, the resolution called on Iran to "provide accelerated cooperation and full transparency" to the IAEA, to "remedy all failures identified" by the agency, to "suspend all further uranium enrichment-related activities," as well as "any reprocessing activities," and to "promptly and unconditionally" implement an additional protocol. However, the IAEA Board of Governors did not specifically cite any form of penalty for Iran if it did not meet the deadline to comply.

On October 21 of that year, Iran, in a joint statement with France, Germany, and Great Britain, announced that it would sign an Additional Protocol agreement and suspend all uranium enrichment and reprocessing activities, as defined by the IAEA. However, Iran announced a few days later that the suspension was temporary and that it would resume enrichment whenever it deemed appropriate.

In November 2003, the IAEA issued a comprehensive report to its Board of Governors regarding Iran's safeguards activities, in which it confirmed that Tehran had conducted a variety of clandestine nuclear activities during the past two decades. The report further revealed that Iran had deceived the IAEA by both concealing facilities and providing false and misleading information regarding the pursuit of a laser-based uranium enrichment program, the testing of

¹² IAEA Board of Governors, June 6, 2003.

¹³ IAEA Board of Governors, June 6, 2003.

¹⁴ Statement by the IAEA Board of Governors, June 19, 2003.

¹⁵ Statement by the IAEA Board of Governors, June 19, 2003.

¹⁶ Arms Control Association, "Country Resources—The Iran Nuclear Crisis: A Chronology," June 2005.

¹⁷ Resolution adopted by the IAEA Board of Governors on "Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran," September 12, 2003.

¹⁸ Iranian Ministry of Foreign Affairs, Statement by Iran and the Visiting EU Foreign Ministers, October 21, 2003.

centrifuges, and the separation of a small amount of plutonium from irradiated uranium targets. On November 26, the IAEA Board of Governors passed its second resolution against Iran and stated that it "strongly deplores Iran's past failures and breaches of its obligation to comply with provisions of its Safeguards Agreement... and urges Iran to adhere strictly to its obligations under its Safeguards Agreement in both letter and spirit" (emphasis added).

During the debate over this resolution among the IAEA Board of Governors, the United States pressed for the matter to be reported to the U.N. Security Council for further action. The NPT itself makes no reference to a role for the Security Council in addressing NPT violations (the Treaty only refers to the Security Council in discussing provisions for withdrawal from the Treaty). The IAEA Board of Governors, however, under Article XII.C. of the IAEA Statute, is required to report non-compliance by a member state to the Security Council for further action. According to the IAEA Statute, Article 12(C), "The Board shall report the non-compliance to all members and to the Security Council and General Assembly of the United Nations." In this case, the Board did not report the matter to the Security Council and, instead, instructed the IAEA Director General to submit a comprehensive report on Iran's implementation of the resolution's provisions by mid-February of 2004.

Additional Iranian Nuclear Issues

Since 2004, the IAEA has found the following:

- Iran failed to declare in October 2003 that it had conducted research and development on a more advanced type of centrifuge (a "P-2" centrifuge) than it had previously disclosed. (February 2004 report to IAEA Board of Governors);
- Iran withheld additional information on its advanced centrifuge program. (June 2004 report to IAEA Board of Governors);
- Iran "understated" the amount of plutonium it secretly separated from spent fuel produced in a research reactor, which also called into question how recent the actions were undertaken. (June 2004 report to IAEA Board of Governors);²¹
- Iran's known nuclear material "has been accounted for, and... is not diverted to prohibited activities," but adds that the IAEA is "not yet in a position to conclude that there are no undeclared nuclear materials or activities in Iran." (November 15, 2004 report to IAEA Board of Governors); 22 and
- Iran has failed to cooperate fully with the IAEA's investigation, specifically by failing to provide adequate information about its uranium enrichment program to the IAEA and obstructing the access of IAEA inspectors to some nuclear facilities suspected of being part of Iran's nuclear weapons program. (March 2005 report to the IAEA Board of Governors).²³

On April 30, 2005, a senior Iranian official announced that Tehran may resume uranium conversion. On May 15, the Iranian parliament passed legislation supporting the resumption of

¹⁹ Report of the IAEA Director General to the Board of Governors on "Implementation of the Safeguards Agreement in the Islamic Republic of Iran," November 10, 2003.

²⁰ Resolution adopted by the IAEA Board of Governors on "Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran," November 26, 2003.

²¹ Arms Control Association.

²² Arms Control Association.

²³ Arms Control Association.

nuclear activities. And, on August 1, Tehran notified the IAEA that it would resume uranium conversion and would remove the IAEA-installed seals at the Uranium Conversion Facility in the city of Esfahan.

In response to Iran's August announcement, the IAEA Board of Governors convened in emergency session August 8-11, and issued its seventh resolution regarding Iran's nuclear program. The resolution expressed "serious concern" over Iran's resumption of uranium conversion activities. It also noted that "outstanding issues related to Iran's nuclear program have yet to be resolved, and that the Agency is not yet in a position to conclude that there are no undeclared nuclear materials or activities in Iran"²⁴ (emphasis added). The IAEA Board, however, did not report the matter to the U.N. Security Council. Instead, the IAEA Board requested the IAEA to report on Iran's implementation of the safeguards agreement with a deadline of September 3.

Where Do Things Stand?

In summary, since the IAEA began its intensive investigation into Iran's safeguards implementation in 2003, the IAEA Director General has issued seven reports to the Board pertaining to Iran's nuclear program, and the IAEA Board of Governors has responded by adopting seven resolutions. In addition, Iran has signed, but not ratified, an Additional Protocol agreement with the IAEA and signed three agreements with the EU-3 (France, Germany, and Great Britain) – in October 2003, February 2004, and November 2004, none of which has been fully honored by Iran.

As Steve Rademaker, U.S. Assistant Secretary of State for Arms Control, has recently noted: "Any casual reading of IAEA reports and resolutions dealing with Iran's safeguards obligations over the past few years will reveal countless failures, breaches and violations." While the IAEA Board of Governors has not formally concluded that Iran is in "noncompliance" with its NPT obligations, it has used language in its resolutions indicating that Iran is in breach of its obligations to comply with its safeguards agreement.

Arguably, the activities that make Iran in noncompliance with the NPT's safeguards agreement inherently render Iran in violation of its NPT obligations under NPT Article III. For all intents and purposes, a *failure to report* certain nuclear activities as a signatory to the NPT is a violation of a country's obligation under the treaty. Moreover, Tehran's own actions of postponing site visits and building underground nuclear facilities leave the impression that Tehran has something to hide — and that additional NPT violations may be occurring.

Possible Next Steps for the International Community

As noted earlier, the IAEA's recently released report (which will be discussed by the IAEA Board of Governors on September 19) did not conclusively find that Tehran was honoring

²⁴ Resolution adopted by the IAEA Board of Governors on "Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran," August 11, 2005.

²⁵ Stephen G. Rademaker Assistant Secretary, Arms Control U.S. Department of State, in testimony before the Committee on House International Relations Subcommittee on International Terrorism and Nonproliferation, April 28, 2005.

(or in compliance with) its NPT safeguard obligations. If, on September 19, the Board formally determines that Iran is in noncompliance with its safeguard obligations, the Board will be obligated under the IAEA statute to report such a matter to the Security Council and the U.N. General Assembly.

There is historical precedent for such action. As CRS analyst Sharon Squassoni has accurately noted, "In the 35-year history of the NPT, the IAEA has declared just four states to be in non-compliance with their safeguards and NPT obligations," two of which were Iraq and North Korea."²⁶

- On July 18, 1991, the IAEA Board of Governors adopted a resolution that condemned Iraq's noncompliance with its safeguard obligations (prior to the 1991 Gulf War, Iraq had planned to divert nuclear material under safeguards to build a nuclear weapon).²⁷ The Board reported Iraq's noncompliance to the Security Council and the General Assembly.
- On April 1, 1993, the Board concluded that North Korea was in noncompliance with its safeguard agreements (regarding discrepancies pertaining to undeclared plutonium) and referred the matter to the Security Council, which called on Pyongyang to comply with its agreements. Nearly ten years later and following revelations that North Korea had a secret program to enrich uranium, in February 2003, by a vote of 33-0, the IAEA Board referred North Korea to the U.N. Security Council for Pyongyang's violations under the NPT. Security Council action, however, was stymied because Russia and China blocked all informal discussions among the Perm-5 (or veto-wielding members of the Security Council), and stated their opposition to imposing sanctions against North Korea. Since 2003, the North Korea nuclear issue has been addressed primarily through the vehicle of the Six Party Talks, to which IAEA is not a party.

The Board historically has taken into account whether a Member State takes corrective action (as well as other factors) to address the Board's concerns. For the past three years, Tehran has undertaken some measures, such as allowing inspectors to visit some sites (although generally after postponing the initially scheduled visits), which could arguably be considered by the IAEA as having demonstrated Iran's cooperation and willingness to come into compliance with its obligations.

Other Options

Consideration must also be given as to what options are available to the international community to persuade or compel Iran to fully comply should, on September 19, the IAEA Board determine that it cannot formally find Iran to be in noncompliance (which also means that

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²⁶ Remarks by Congressional Research Service Analyst Sharon Squassoni, "IAEA and the Issue of Compliance," which was presented at the Sixth U.N. Conference on Disarmament Issues, in Kyoto, Japan, from August 17-19, 2005.

²⁷ Squassoni, 2005

²⁸ Squassoni, 2005. The other "factors" include: the quantity of material in question, the nature of the activities, efforts to conceal, and the overall patter of action of the state.

it cannot say for certainty that Iran is in complete compliance) with its safeguard obligations. Below are some possible options:

IAEA Handles Matter Directly. This option, that the IAEA handle the matter, means that the IAEA Board of Governors can issue a resolution urging all Member States not to cooperate with Iran (i.e., suspend all nuclear cooperation projects and activities with Iran) pending a Board of Governors decision that Tehran is judged to be in full compliance with its safeguard obligations. However, the IAEA Statute requires that such a decision suspending cooperation with a member state requires a two-thirds majority vote of the IAEA's General Conference – a body comprised of all IAEA Member States, which includes a number of supporters of Iran's claim to have an exclusively "peaceful" nuclear program. Thus, securing a two-thirds vote in that body would require intensive diplomacy not only from the United States, but from the EU-3 and EU as well. If achieved, such a decision would send a strong signal that the international community, and not just the EU-3 and the U.S., demand that Iran meet its safeguard obligations. The downside to this approach is that decisions and requests by the IAEA are voluntary in nature. The IAEA lacks the international legal authority of the U.N. Security Council (when it invokes Chapter VII of the U.N. Charter) to legally require member states to take specific action.

Joint U.S. and EU-3 Referral to the Security Council. Another approach is for the United States and the EU-3 (and any other Member State that shares the view) to collectively refer Iran to the Security Council for endangering international peace and security. Specifically, the referral stems not from a finding of noncompliance, which only the IAEA can do, but from Iran's violation of its political pledge to the EU-3.

Since June 2003, the U.S. Government has concluded that Iran was in persistent and long-standing violation of its safeguards agreement, and has lobbied other members of the IAEA Board of Governors to adopt a resolution reporting Iran's safeguards noncompliance to the U.N. Security Council. In March 2005, Ambassador Jackie Sanders, U.S. Special Representative of the President to the IAEA, reiterated the Administration's policy views of Iran's current "noncompliance" with the NPT:

My government has made clear on numerous occasions its position that the Board of Governors must report Iran's non-compliance with its Safeguards Agreement to the United Nations Security Council. The Board has a statutory obligation to do so -- but thus far, has failed to do so. The Board cannot ignore forever its statutory responsibility to report this matter to the UNSC. Failure by Iran to implement fully its suspension pledge, and continued inability of this Agency to conclude that there are no undeclared nuclear materials or activities in Iran would represent a growing threat to international peace and security. While the IAEA must continue to have a role in investigating Iran's past and ongoing nuclear activities and in monitoring its suspension pledge, the Security Council has the international legal and political authority that will be required to bring this issue to a successful and peaceful resolution.²⁹

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²⁹ Ambassador Jackie Wolcott Sanders, remarks given regarding Iran before the IAEA Board of Governors Meeting on March 2, 2005. Text is available at http://www.us-mission.ch/Press2005/0301AmbassadorSanders.htm.

The EU-3 maintains that it would support referral of the case to the Security Council if Iran does not honor the terms of the November 14, 2004 agreement (the "Paris Agreement") in which Tehran agreed to suspend the manufacture and importation of gas centrifuges and related components, as well as refrain from all "tests or production at any uranium-conversion installation." As noted above, Tehran has already broken the Paris Agreement.

A joint U.S.-EU-3 referral, while not blessed by the IAEA Board of Governors, would show that the world's major powers take proliferation matters seriously and demand that countries honor their obligation under the NPT. The costs and benefits of such a move would need to be calculated since, in the absence of an IAEA Board resolution reporting Iran to the Security Council, Russia and China may well use their Security Council vetoes in order to object to any stern measures being taken against Iran.³¹ The CIA has found that Russia has overtly assisted Iran's nuclear program during recent years, and that China has provided assistance to many of Iran's other weapons-of-mass-destruction programs.³²

<u>U.S. Unilateral Referral to the Security Council.</u> The other possible course of action may be for the United States to recommend unilaterally that Iran be brought before the U.N. Security Council for endangering international peace and security. Such a move would demonstrate the Bush Administration's commitment to nonproliferation matters as well as to the NPT's enforcement. However, as with a joint U.S.-EU-3 referral, a calculation would need to be made on whether Russia and China would support or obstruct such an action at the Security Council. It is also possible that Germany and France, two of the three EU-3 parties, may object to U.S. unilateral referral, depending on the status of the EU-3 negotiations with Iran.³³

What Should the Security Council Referral Include?

While the method by which Iran is referred to the Security Council is important, determining the specific contents of the Security Council referral, too, is vital. According to Ambassador Sanders, the Security Council has the "authority to require and enforce a suspension of Iran's enrichment-related and reprocessing activities. In each of these areas, the Security Council can support and reinforce the IAEA's ability to pursue its investigations in Iran until the Agency can provide this Board with all the necessary assurances it requires."³⁴

Specifically, a referral could include that a Security Council resolution or Security Council presidential statement be issued that includes the following:

- Condemn Iran's failure to comply with its obligations;
- Demand that Iran fully cooperate with the IAEA and fully honor its NPT and IAEA commitments;

³⁰ Text of an agreement between Iran, France, Germany, and Great Britain regarding Iran's nuclear program, signed on November 14, 2004 in Paris. Text is available at http://www.iaea.org/Publications/Documents/Infcircs/2004/infcirc637.pdf.

³¹ Reuters, "Russia Opposes Reporting Iran to UN," September 5, 2005.

³² Central Intelligence Agency, "Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 July Through 31 December 2003," http://www.cia.gov/cia/reports/721 reports/july dec2003.htm#iran.

Reuters, "Russia Opposes Reporting Iran to UN," September 5, 2005.

³⁴ Ambassador Jackie Wolcott Sanders.

- Call on Iran to suspend all enrichment-related and reprocessing activities as called for by the IAEA Board and halt construction of its heavy-water research reactor. This suspension would include production and testing of components and production of feed material for enrichment purposes;
- Require that Iran bring its activities into compliance with the IAEA Board resolutions immediately, but no more than 60 days from date of issuance;
- Request a status report by the IAEA on Iran's compliance; and
- Threaten to automatically institute a series of punitive measures on Iran if it does not meet its obligations within the required timeframe. Such measures could include:
 - Declaring Iran's pursuit of an indigenous nuclear fuel-cycle capability as a threat to international peace and security (given that Tehran refuses to comply with its safeguard obligations and could divert significant quantities of nuclear material, i.e., enriched uranium, to build a nuclear weapon); and
 - o Imposing multilateral economic sanctions, including a complete embargo on nuclear technology transfers to Iran from all IAEA Member States. This would also include a ban on commercial activity with Iran related to nuclear development as well as denying Iranian scientists and engineers the ability to work outside Iran on nuclear issues or attend nuclear seminars and conferences.

Conclusion

On July 22, 2004, the Senate passed S. Con. Res. 81, which expressed its deep concern over the Islamic Republic of Iran's developing capabilities to produce nuclear weapons. Among its many provisions, the resolution called on all nations that are party to the Treaty on the Non-Proliferation of Nuclear Weapons, including the United States, to use appropriate means to prevent Iran from acquiring nuclear weapons until Iran meets its obligations. It also urged the United Nations Security Council, immediately upon receiving a report from the International Atomic Energy Agency in regard to continuing Iranian noncompliance with its obligations, to take action that may be necessary under Articles 39 through 41 of the Charter of the United Nations.

Congress has made its views known on the Iran nuclear issue, as has the Bush Administration. It is long past time for the international community to formally state that Iran is not honoring its obligations under the NPT safeguard agreements and to demand that Iran come into full compliance. To do this, the international community, through the U.N. Security Council, should formally condemn Tehran's repeated refusals to honor its obligations, and, it should impose severe penalties and pressures on Tehran until it meets its NPT obligations and allows independent verifications of its nuclear sites.